

**Press Statement**  
**By**  
**The Progressive Liberal Party**  
**January 21<sup>st</sup> 2011**

**PLP says the entire BTC privatization process under the FNM is Bogus**

**As has been confirmed to The Tribune by a source close to the privatization process, the MOU obtained from a confidential source and made public by the PLP is substantially correct.**

**We echo the voices of Bernard Evans, William Carroll, Leon Williams Nicki Kelly and numerous others who have expressed grave concerns about this scandalous, secret sweetheart deal.**

It is shocking that the government, in private, in the dark, behind closed doors made a deal with Cable & Wireless (C&W), a company that the government admits did not participate in the bidding process. **It has now been revealed that C&W were deep in the bowels of BTC privatization committee while the approved bidders were preparing their subsequently rejected bids. The PLP will not be surprised if the Bahamas Government has not exposed itself to law suits.**

**And it has been revealed that Higgs and Johnson, the law firm where the Attorney General John Delaney was Managing Partner are the lawyers for C&W. It is absolutely shocking that KPMG, the external auditors of C&W is one of the financial and regulatory advisors to the BTC privatization committee. This obvious and admitted KPMG conflict comes on the back of the numerous blatant conflicts of interest that the PLP has already disclosed in relation to BTC executive chairman Julian Francis and now potentially in relation to AG John Delaney.**

The PLP also notes that columnist Larry Smith, who was given access to the BTC privatization papers, confirmed the stated positions of William Carroll and Bernard Evans that they knew nothing about the C&W deal. Now that the MOU has been revealed, it is not surprising that the union leaders were not aware of the deal. The MOU reveals that there will be “voluntary workforce restructuring”, a code for layoffs. The pensions of members will be significantly affected.

The pension fund, now a non-contributory pension fund, will become a contributory pension fund. All employees will be encouraged to give up their current benefit of a non-contributory pension fund to join the contributory pension fund. The government has agreed to put up \$39 Million to guarantee the shortfall in the fund via a “Feeder Trust”.

As mentioned C&W did not participate in the bidding process; the government has acknowledged that a MOU with C&W was signed and that C&W was then given access to BTC to do its due diligence and to devise a business plan. The international accepted principle is that due diligence is undertaken by qualified bidders before they make a bid and a business plan is a part of the bid submission.

**The FNM quite shamelessly is selling 51% of the shares of BTC for \$210 Million in circumstances where BTC’s assets are worth more than \$210 Million and where the cost of privatization to date, by BTC’s own admission is well in excess of \$153 Million. This “sale” is in truth a “give away” and a national disgrace.**

Finally, the PLP notes the comments by Paul Hutton-Ashkenny in Business Section of The Tribune of 20<sup>th</sup> January, 2011 **that Bahamians will need to get used to paying for local calls. The FNM government has killed the middle class. The proposal to charge for local calls is another nail in the coffin.**

**The sale to BTC epitomizes the FNM special interests style of governance: it was done behind closed doors and lacks transparency; it is rife with conflicts of interest; someone is getting a 3% finder’s fee; the small man will be downsized/laid off; the small man’s pension fund and his pension plans are being adversely affected; ordinary Bahamians are being denied the opportunity to buy shares in a significant national asset and the small man will end up paying for the sale to C&W (there will be \$15 Million left in the bank; the government will have to put \$39 Million into a Feeder Trust and Bahamians will have to pay for local calls).**

The entire privatization process is shamelessly bogus. Tommy Turnquest, whose Portfolio includes BTC is clearly not in charge of the privatization process and is being used as a puppet. Bahamians have not forgotten that he threatened the unions (as being a threat to national security) who were exercising their constitutional right of freedom of assembly. All of his statements thus far have been incorrect and bogus.

**The PLP renews its call for the hapless and hopeless and shameless Tommy Turnquest to be fired. Tommy T. has been an abject failure as Minister of National Security. It is clear to all that Tommy T. is not in charge of the BTC Privatization exercise. He is a burden on the backs of Bahamians. Enough is enough.**

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